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Energy & Technology Committee

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Good afternoon Senator Fonfara, Representative Nardello and other distinguished members of the Energy and Technology Committee. My name is Patricia Wrice, and I am the executive director of Operation Fuel and a member of the Low Income Energy Advisory Board. I am testifying in support of **Senate Bill 1, Section 50**. The language of the proposed bill does not include natural gas service. Most low-income families in urban areas heat with natural gas and by considering a discount rate for natural gas would provide those families much needed relief.

High energy costs continue to place a burden on Connecticut most vulnerable households. During 2009-2010, Connecticut's lower-income families and senior citizens faced a home energy affordability gap of over \$2,000 per household, which is the difference between what households could afford and what they actually owed for their annual energy bills. Nearly 50,000 Connecticut households called 211 asking for help paying their utility bills in 2010. The home energy affordability gap actually improved from the previous year, when it was \$585 million. While this is a positive sign, Connecticut's lower-income households still face a tremendous energy burden. Many people are paying their energy bills at the expense of other basic necessities,

such as food and medicine. The Low-Income Home Energy Assistance Program (LIHEAP) only covers a small amount of the home energy costs for a fraction of the income-eligible population. Limited federal money is available for heat only and funding for the federal LIHEAP program varies from year to year and only helps about 20 percent of the low-income households that need energy assistance.

The energy affordability crisis is year-round. During warmer months, households that have their gas and electricity shut off must contend with loss of electricity, refrigeration, and hot water. Another issue for concern is the outstanding balances that are carried over from year to year. With increases in energy costs, these balances continue to grow. The arrearage forgiveness programs, or matching payment plans, do not provide enough to wipe away these huge debts.

The proposed legislation calls for the DPUC to oversee the development and implementation of the discount rate program. If the bill passes the CT General Assembly and is signed into law by Governor Malloy, the DPUC Subcommittee, as part of the LIEAB, would like to formally weigh in on the further development, implementation and evaluation of the discount rate program.

Thank you. I will be happy to answer any questions.